

Public Act No. 09-50

AN ACT MAKING REVISIONS TO CHAPTER 739 OF THE GENERAL STATUTES WITH RESPECT TO AUTOMOBILE MANUFACTURERS, DISTRIBUTORS, FRANCHISES AND DEALERSHIPS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 42-133s of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

- (a) Each manufacturer or distributor shall specify in writing to each of its dealers licensed in this state, the dealer's obligations for predelivery preparation and warranty service on its products, and shall compensate the dealer for such preparation and service. [, and shall provide the dealer with a schedule of compensation to be paid the dealer for parts and labor in connection with such preparation and service, and the time allowance for the labor.] Compensation for parts used in warranty service shall be fair and reasonable, as determined by methods described in subsection (b) of this section. Compensation for labor used in warranty service shall be fair and reasonable, as determined by methods described in subsection (c) of this section.
- (b) The retail rate customarily charged by the dealer for parts shall be established by the dealer submitting to the manufacturer or distributor one hundred sequential nonwarranty customer-paid

service repair orders which contain warranty-like parts, or sixty consecutive days of nonwarranty customer-paid service repair orders which contain warranty-like parts, whichever is less, covering repairs made no more than one hundred eighty days before the submission and declaring the average percentage markup. The average of the markup rates shall be presumed to be fair and reasonable, however, a manufacturer or distributor may, not later than thirty days after submission, rebut that presumption by reasonably substantiating that the rate is unfair and unreasonable in light of the practices of all other franchised motor vehicle dealers in the vicinity offering the same linemake vehicles. The retail rate shall go into effect thirty days following the declaration, subject to audit of the submitted repair orders by the franchisor and a rebuttal of the declared rate as described above. If the declared rate is rebutted, the manufacturer or distributor shall propose an adjustment of the average percentage markup based on that rebuttal not later than thirty days after submission. If the dealer does not agree with the proposed average percentage markup, the dealer may file a protest with the commissioner not later than thirty days after receipt of that proposal by the manufacturer or distributor. If such a protest is filed, the commissioner shall inform the manufacturer or distributor that a timely protest has been filed and that a hearing will be held on such protest. In any hearing held pursuant to this subsection, the manufacturer or distributor shall have the burden of proving that the rate declared by the dealer was unfair and unreasonable as described in this subsection and that the proposed adjustment of the average percentage markup is fair and reasonable pursuant to the provisions of this subsection.

(c) The retail rate customarily charged by the dealer for labor may be established by submitting to the manufacturer or distributor all nonwarranty customer-paid service repair orders covering repairs made during the month prior to the submission and dividing the amount of the dealer's total labor sales by the number of total labor

hours that generated those sales. The average labor rate shall be presumed to be fair and reasonable, provided a manufacturer or distributor may, not later than thirty days after submission, rebut such presumption by reasonably substantiating that such rate is unfair and unreasonable in light of the practices of all other franchised motor vehicle dealers in the vicinity offering the same line-make vehicles. The average labor rate shall go into effect thirty days following the declaration, subject to audit of the submitted repair orders by the franchisor and a rebuttal of such declared rate. If the declared rate is rebutted, the manufacturer or distributor shall propose an adjustment of the average labor rate based on such rebuttal not later than thirty days after submission. If the dealer does not agree with the proposed average labor rate, the dealer may file a protest with the commissioner not later than thirty days after receipt of that proposal by the manufacturer or distributor. If such a protest is filed, the commissioner shall inform the manufacturer or distributor that a timely protest has been filed and that a hearing will be held on such protest. In any hearing held pursuant to this subsection, the manufacturer or distributor shall have the burden of proving that the rate declared by the dealer was unfair and unreasonable as described in this subsection and that the proposed adjustment of the average labor rate is fair and reasonable pursuant to the provisions of this subsection.

(d) In calculating the retail rate customarily charged by the dealer for parts and labor, the following work shall not be included in the calculation: (1) Repairs for manufacturer or distributor special events, specials or promotional discounts for retail customer repairs; (2) parts sold at wholesale; (3) engine assemblies and transmission assemblies; (4) routine maintenance not covered under any retail customer warranty, such as fluids, filters and belts not provided in the course of repairs; (5) nuts, bolts, fasteners, and similar items that do not have an individual part number; (6) tires; and (7) vehicle reconditioning.

- (e) If a manufacturer or distributor furnishes a part or component to a dealer, at no cost, to use in performing repairs under a recall, campaign service action or warranty repair, the manufacturer or distributor shall compensate the dealer for the part or component in the same manner as warranty parts compensation under this section by compensating the dealer the average markup on the cost for the part or component as listed in the manufacturer's or distributor's price schedule less the cost for the part or component.
- (f) A manufacturer or distributor may not require a dealer to establish the retail rate customarily charged by the dealer for parts and labor by an unduly burdensome or time consuming method or by requiring information that is unduly burdensome or time consuming to provide, including, but not limited to, part-by-part or transaction-by-transaction calculations. A dealer may not declare an average percentage markup or average labor rate more than twice in one calendar year.
- (g) A manufacturer or distributor may not otherwise recover its costs from dealers within this state, including an increase in the wholesale price of a vehicle or surcharge imposed on a dealer solely intended to recover the cost of reimbursing a dealer for parts and labor pursuant to this section, provided a manufacturer or distributor shall not be prohibited from increasing prices for vehicles or parts in the normal course of business.
- [(b)] (h) [Such schedule of compensation shall include reasonable compensation for diagnostic work, as well as repair service and labor.] Time allowances for the diagnosis and performance of warranty work and service shall be reasonable and adequate for the work to be performed. [In the determination of what constitutes reasonable compensation under this section, the principal factor considered shall be the prevailing wage rates being paid by dealers in the community in which the dealer is doing business. In no event shall the hourly labor

rate paid to a dealer for warranty service be less than the rate charged by such dealer for like service to nonwarranty customers, provided that the rate charged to nonwarranty customers is reasonable.]

- [(c)] (i) Each manufacturer or distributor shall perform all warranty obligations, include in written notices of factory recalls to owners and dealers the expected date by which necessary parts and equipment will be available to dealers for the correction of such defects and compensate dealers for repairs necessitated by such recall.
- [(d)] (j) All claims by dealers under this section for such labor and parts and all claims for compensation relative to any sales incentive programs shall be paid [within] not later than thirty days [following] <u>after</u> approval by the manufacturer or distributor, provided [that] manufacturers or distributors retain the right to audit such claims and to charge-back the dealer for false or unsubstantiated claims for a period of two years following payment. If there is evidence of fraud, the provisions of this subsection shall not limit the right of a manufacturer or distributor to audit a dealer for longer periods of time and charge-back the dealer for any fraudulent claim. Dealers shall be required to maintain defective parts for a period of not longer than ninety days following submission of claims. All such claims shall be either approved or disapproved [within] not later than thirty days after their receipt on forms, and in the manner specified by, the manufacturer or distributor. Any claim not disapproved in writing or by means of electronic transmission [within] not later than thirty days after receipt shall be deemed approved and payment shall be made within thirty days.
- Sec. 2. Section 42-133v of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (a) Notwithstanding the terms, provisions or conditions of any franchise agreement and notwithstanding the terms or provisions of

any waiver <u>or other agreement between the manufacturer or</u> <u>distributor and the dealer</u>, no manufacturer or distributor shall cancel, terminate or fail to renew any franchise with a licensed dealer unless the manufacturer or distributor has satisfied the notice requirement of subsection (d) of this section, has good cause for cancellation, termination or nonrenewal and has acted in good faith.

- (b) Notwithstanding the terms, provisions or conditions of any franchise or the terms or provisions of any waiver <u>or other agreement</u> <u>between the manufacturer or distributor and the dealer</u>, good cause exists for the purposes of a termination, cancellation or nonrenewal if:
- (1) There is a failure by the dealer to comply with a provision of the franchise which is both reasonable and of material significance to the franchise relationship, provided that the dealer has been notified in writing of the failure [within] not later than one hundred eighty days after the manufacturer or distributor first acquired knowledge of such failure;
- (2) If the failure by the dealer, defined in subdivision (1) of this subsection, relates to the performance of the dealer in sales or service, then good cause shall be defined as the failure of the dealer to comply with reasonable performance criteria established by the manufacturer or distributor if the dealer was apprised by the manufacturer or distributor in writing of such failure; and: (A) The notification stated that notice was provided of failure of performance under this section; (B) the dealer was afforded a reasonable opportunity, for a period of not less than six months, to comply with such criteria; and (C) the dealer did not demonstrate substantial progress towards compliance with the manufacturer's or distributor's performance criteria during such period.
- (c) The manufacturer or distributor shall have the burden of proof under this section.

- (d) Notwithstanding the terms, provisions or conditions of any franchise or other agreement between the manufacturer or distributor and the dealer, prior to the termination, cancellation or nonrenewal of any franchise, the manufacturer or distributor shall furnish notification of such termination, cancellation or nonrenewal to the dealer as follows: (1) In the manner described in subsection (e) of this section; and (2) not less than ninety days prior to the effective date of such termination, cancellation or nonrenewal; or (3) not less than fifteen days prior to the effective date of such termination, cancellation or nonrenewal with respect to: (A) Insolvency of the dealer, or filing of any petition by or against the dealer under any bankruptcy or receivership law; (B) failure of the dealer to conduct customary sales and service operations during business hours for seven consecutive business days, except in circumstances beyond the direct control of the dealer; (C) conviction of the dealer, or any owner thereof, of any felony which is punishable by imprisonment; (D) suspension or revocation of any license which the new motor vehicle dealer is required to have to operate a dealership; or (E) a fraudulent misrepresentation by the dealer to the manufacturer or distributor which is material to the franchise; (4) not less than one hundred eighty days prior to the effective date of such termination or cancellation if the manufacturer or distributor is discontinuing the sale of the product line.
- (e) Notice under this section shall be in writing, sent by certified mail or personally delivered to the dealer; and shall contain: (1) A statement of intention to terminate, cancel or not to renew the franchise; (2) a statement of the reasons for the termination, cancellation or nonrenewal; and (3) the date on which such termination, cancellation or nonrenewal takes effect.
- (f) No manufacturer or distributor shall terminate, cancel or fail to renew a dealer's franchise for the failure or refusal of the dealer to do any of the following: (1) Failure to meet sales quotas suggested by the

manufacturer or distributor; (2) refusal to sell any product at a price suggested by the manufacturer or distributor; (3) refusal to keep the premises open and operating during those hours which are documented by the dealer to be unprofitable to the dealer or to preclude the dealer from establishing his own hours of operation beyond the hour of 10:00 p.m. and prior to 6:00 a.m.; (4) refusal to meet unreasonable minimum standards and marketing guides, which include, but are not limited to, capital, inventory, facility and personnel requirements; (5) refusal to give the manufacturer or distributor financial records of the operation of the franchise which are not related or necessary to the dealer's obligations under the franchise agreement. Subdivisions (1) to (5), inclusive, of this subsection shall not be deemed good cause under subsection (b) of this section.

- (g) If a franchisee brings an action in a court of competent jurisdiction to challenge the cancellation, termination or nonrenewal of a franchise agreement by a manufacturer or distributor under this section, such franchise agreement shall remain in full force and effect and such franchisee shall retain all rights and remedies pursuant to the terms and conditions of such franchise agreement, including, but not limited to, the right to sell or transfer such franchisee's ownership interest, [for a period of six months following] <u>until</u> a final determination by the court of competent jurisdiction <u>and any appeal from such determination</u>, unless extended by the court of competent jurisdiction for good cause. This subsection shall not apply to a cancellation, termination or nonrenewal of a franchise agreement based upon any of the reasons set forth in subdivision (3) of subsection (d) of this section.
- Sec. 3. Section 42-133w of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- (a) Upon the termination, nonrenewal or cancellation of any franchise under sections 42-133r to 42-133ee, inclusive, as amended by

this act, initiated by the manufacturer, distributor or dealer, the dealer shall be allowed fair and reasonable compensation by manufacturer or distributor for: (1) The new current model year motor vehicles and [one] the prior model year motor [vehicle inventory acquired from the manufacturer or distributor] vehicles acquired not later than twelve months preceding such termination, with fewer than three hundred miles registered on the odometer, acquired from the manufacturer, distributor or a same line-make dealer, in the ordinary course of business, limited to vehicles in such inventory that are (A) unaltered, except for the addition of customary manufacturerapproved accessories, and (B) undamaged; (2) all new, unused and undamaged parts listed in the current parts catalog acquired from a manufacturer or distributor or its approved or recommended sources at the dealer price listed in such catalog, less applicable allowances plus five per cent of the catalog price of the part for the cost of packing and returning the parts to the manufacturer or distributor; (3) supplies and furnishings if purchased from the manufacturer or distributor or its approved sources; and (4) any special tools or equipment offered for sale during the three years preceding termination, nonrenewal or cancellation and each trademark or trade name bearing sign which was [recommended or] required by the manufacturer or distributor at fair market value at the time of notice of termination.

- (b) Compensation under subsection (a) of this section shall be paid by the manufacturer or distributor [within] <u>not later than</u> ninety days [of] <u>after</u> the effective date of termination, cancellation or nonrenewal if the dealer has title to the vehicle inventory and other items and is able to convey title to the manufacturer or distributor.
- (c) The provisions of this section shall not apply in the event of a sale of the assets or stock of a motor vehicle dealership.
- Sec. 4. Section 42-133x of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

- (a) In the event of a termination, cancellation or nonrenewal under subdivision (2) of subsection (b) of section 42-133v, as amended by this act, by the manufacturer, distributor or dealer under subsection (b) of this section:
- (1) If the dealer is leasing the dealership facilities from a lessor other than the manufacturer or distributor, or owns the dealership facilities, the manufacturer or distributor shall pay a reasonable rent to the dealer in accordance with and subject to subdivision (2) of this subsection.
- (2) Such reasonable rent shall be paid only to the extent that the dealership premises are recognized in the franchise and only if they are [: (A) Used solely for performance in accordance with the franchise, and (B)] not substantially in excess of those facilities recommended by the manufacturer or distributor. If the facility is used for the operation of more than one franchise, the reasonable rent shall be paid based upon the portion of the facility utilized by the franchise being terminated, cancelled or nonrenewed.
- (3) If the facilities are owned by the dealer, the manufacturer or distributor will either: (A) Locate a purchaser who will offer to purchase the dealership facilities at a reasonable price, or (B) locate a lessee who will offer to lease the premises for a reasonable term at a reasonable rent, or (C) failing the foregoing, lease the dealership facilities at a reasonable rent for [two years] one year.
- (4) If the facilities are leased by the dealer, the manufacturer or distributor will either: (A) Locate a tenant satisfactory to the lessor, who will sublet or assume the balance of the lease, or (B) arrange with the lessor for the cancellation of the lease without penalty to the dealer, or (C) failing the foregoing, lease the dealership facilities at a reasonable rate for [two years] one year.

- (5) The manufacturer or distributor shall not be obligated to provide assistance under this section if the dealer: (A) Fails to accept a bona fide offer from a prospective purchaser, sublessee or assignee, or (B) refuses to execute a settlement agreement with the lessor if such agreement would be without cost to the dealer, or (C) fails to make a written request for assistance under this section [within] not later than one month [of] after the termination, cancellation or nonrenewal.
- (b) In the event of a termination, cancellation or nonrenewal due to the discontinuation of a line make, and in addition to all other compensation and repurchase obligations contained in section 42-133w, as amended by this act, and this section, the manufacturer or distributor shall pay the fair market value of the goodwill of the franchise as of the date immediately preceding the manufacturer's announcement of the action resulting in a brand being presently, or in the future, discontinued. The dealer may immediately request payment under this subsection following the announcement in exchange for cancelling any further franchise rights, except payments owed to the dealer in the ordinary course of business, or may request payment under this subsection upon the final termination, cancellation or nonrenewal of the franchise. In either case, payment under this subsection shall be made not later than ninety days after the request by the dealer.
- [(b)] (c) If, in any action for damages under this section, the manufacturer or distributor fails to prove that the manufacturer or distributor has acted in good faith or that there was good cause for the franchise termination, cancellation or nonrenewal, then the manufacturer or distributor may terminate, cancel or fail to renew the franchise upon payment to the motor vehicle dealer of an amount equal to the value of the dealership as an ongoing business location as agreed by the parties or, lacking agreement, as determined by the court.

- Sec. 5. Section 42-133bb of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- [No] <u>Notwithstanding the terms, provisions or conditions of any franchise agreement or other agreement between a manufacturer or distributor and a dealer, no manufacturer or distributor shall require that a dealer:</u>
- (1) Order or accept delivery of any new motor vehicle, part or accessory, equipment or any other commodity not required by law in connection with warranty service or a recall campaign or voluntarily ordered by the dealer, except that the provisions of this subdivision shall not affect terms or provisions of a franchise requiring dealers to market a representative line of motor vehicles which the manufacturer or distributor is publicly advertising;
- (2) Order or accept delivery of any new motor vehicle with special features, accessories or equipment not included in the list price of such motor vehicles as publicly advertised by the manufacturer or distributor;
- (3) Pay all or part of the cost of an advertising campaign or contest, or purchase any promotional materials, training material, showroom or other display decorations or materials at the expense of the new motor vehicle dealer without the consent of the new motor vehicle dealer;
- (4) Enter into any agreement with the manufacturer or distributor or do any other act prejudicial to the dealer under threat of termination or cancellation of a franchise or agreement between the dealer and the manufacturer or distributor, except that this subdivision shall not preclude the manufacturer or distributor from insisting on compliance with the reasonable terms or provisions of the franchise or agreement, and notice in good faith to any dealer of the dealer's violation of such

terms or provisions shall not constitute a violation of sections 42-133r to 42-133ee, inclusive, as amended by this act;

- (5) Change the capital structure of the dealer or the means by which the dealer finances the operation of the dealership provided [that] the dealer meets reasonable capital standards established by the manufacturer or distributor in accordance with uniformly applied criteria, and provided further that no change in the capital structure shall cause a change in the principal management or have the effect of a sale of the franchise without the consent of the manufacturer or distributor and such consent shall not be unreasonably withheld;
- (6) Refrain from participation in the management of, investment in, or acquisition of any other line of new motor vehicles or related products, provided [that] this subdivision shall not apply unless the dealer maintains a reasonable line of credit for each line make of new motor vehicle, the dealer remains in compliance with any reasonable facilities requirements of the manufacturer or distributor, and no change is made in the principal management of the dealer;
- (7) Prospectively assent to a release, assignment, novation, waiver or estoppel which would relieve any person from liability to be imposed by sections 42-133r to 42-133ee, inclusive, <u>as amended by this act</u>, or require any controversy between a dealer and a manufacturer or distributor, to be referred to any forum other than the Superior Court or the United States District Court;
- (8) Construct, renovate or make substantial alterations to the dealer's facilities unless the manufacturer or distributor can demonstrate that such construction, renovation or alteration requirements are reasonable and justifiable in light of current and reasonably foreseeable projections of economic conditions, financial expectations, availability of additional vehicle allocation and such dealer's market for the sale of vehicles.

- Sec. 6. Section 42-133cc of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):
- [No] <u>Notwithstanding the terms, provisions or conditions of any</u> <u>franchise agreement or other agreement between a manufacturer or distributor and a dealer, no manufacturer or distributor shall:</u>
- (1) (A) Delay, refuse or fail to deliver new motor vehicles or parts or accessories in a reasonable time, and in reasonable quantity relative to the dealer's facilities and sales potential in the dealer's relevant market area, after acceptance of an order from a dealer having a franchise for the retail sale of any new motor vehicle sold or distributed by the manufacturer or distributor, any new motor vehicle, parts or accessories for new vehicles as are covered by such franchise, if such vehicle, parts or accessories are publicly advertised as being available for delivery or actually being delivered; (B) withhold any new motor vehicle from distribution except a vehicle which is part of a demonstration fleet or withhold or delay distribution of new motor vehicles to induce dealers to order additional parts or accessories, to order new motor vehicles that are difficult to sell, to relocate the dealer's place of business or to [build] construct a new building. This subdivision shall not apply to a failure caused by acts or causes beyond the control of the manufacturer or distributor;
- (2) (A) Refuse to disclose to any dealer, handling the same line make, the manner and mode of distribution of that line make within the relevant market area, or (B) if a line make is allocated among dealers, refuse to disclose to any dealer, handling the same line make, the system of allocation, including, but not limited to, a complete breakdown by model, color, equipment and other items or terms, a concise listing of dealerships and an explanation of the derivation of the allocation system, including its mathematical formula in a clear and comprehensible form;

- (3) Obtain money, goods, service or any other benefit from any other person with whom the dealer does business, on account of, or in relation to, the transaction between the dealer and such other person, other than for compensation for services rendered, unless such benefit is promptly accounted for, and transmitted to, the dealer;
- (4) Increase prices of new motor vehicles which the dealer had ordered for private retail consumers prior to the dealer's receipt of the written official price increase notification. A sales contract signed by a private retail consumer shall constitute evidence of each such order, provided [that the] such vehicle is in fact delivered to [that customer] such private retail consumer. In the event of manufacturer or distributor price reductions or cash rebates paid to the dealer, the amount of any such reduction or rebate received by a dealer shall be passed on to the private retail consumer by the dealer. Price reductions shall apply to all vehicles in the dealer's inventory which were subject to the price reduction. Price differences applicable to new models or series shall not be considered a price increase or price decrease. Price changes caused by (A) the addition to a motor vehicle of required or optional equipment, [or] (B) revaluation of the dollar, in the case of foreign-make vehicles or components, or (C) an increase in transportation charges due to increased rates imposed by common carriers or transporters shall not be subject to the provisions of this subdivision;
- (5) Offer refunds or other types of inducements to any person for the purchase of new motor vehicles of a certain line make to be sold to the state or any political subdivision thereof without making the same offer available upon request to all other dealers in the same line make within the relevant market area;
- (6) Release to any outside party, except under subpoena or as otherwise required by law or in an administrative, judicial or arbitration proceeding involving the manufacturer or distributor or

dealer, any business, financial or personal information which may be from time to time provided by the dealer to the manufacturer or distributor, without the express written consent of the dealer;

- (7) Deny any dealer the right of free association with any other dealer for any lawful purpose;
- (8) Unfairly compete with a dealer in the same line make operating under an agreement or franchise from such manufacturer or distributor in the relevant market area. A manufacturer or distributor shall not, however, be deemed to be competing when operating a dealership for a temporary period not to exceed one year, or such additional period of time as may be permitted by the Commissioner of Motor Vehicles, in accordance with the provisions of section 14-52b, or in a bona fide retail operation which is for sale to any qualified person at a fair and reasonable price, or in a bona fide relationship in which an independent person has made a significant investment subject to loss in the dealership and can reasonably expect to acquire full ownership of such dealership on reasonable terms and conditions;
- (9) Unfairly discriminate among its new motor vehicle dealers with respect to warranty reimbursement;
- (10) Unreasonably withhold consent to the sale, transfer or exchange of the franchise to a qualified buyer capable of being licensed as a dealer;
- (11) Fail to respond in writing to a request for consent under subdivision (10) [within] of this section not later than sixty days [of] after receipt of all information reasonably and customarily required by the manufacturer or distributor. Such failure to respond shall be deemed to be consent to the request;
- (12) Unfairly prevent a dealer from receiving fair and reasonable compensation for the value of its dealership;

- (13) Engage in any predatory practice against a dealer;
- (14) Terminate any franchise solely because of the death or incapacity of an owner who is not listed in the franchise as one on whose expertise and abilities the manufacturer or distributor relied in the granting of the franchise;
- (15) Withhold payment of money which the franchisor owes to a dealer for more than thirty days after the date of approval of the request for reimbursement;
- (16) Own, operate or control, either directly or indirectly, a facility for the performance of motor vehicle warranty service work. Nothing contained in this subsection shall prohibit a motor vehicle manufacturer, factory branch, distributor or distributor branch from performing service for reasons of compliance with an order of a court of competent jurisdiction;
- (17) Provide in any franchise agreement that in any administrative or judicial proceeding arising from any dispute with respect to such agreement, the prevailing party shall be entitled to recover its costs, reasonable attorney's fees and other expenses of litigation from the other party;
- (18) Unreasonably prevent or refuse to approve the relocation of a dealership to another site within the dealership's relevant market area, including a refusal by either the manufacturer or distributor for the relocation of the dealership or a refusal by the manufacturer or distributor for any franchise currently located at such proposed new location. The dealer shall provide written notice to the manufacturer or distributor that shall include the address of the proposed new location and a reasonable site plan of the proposed facility. The manufacturer or distributor shall, not later than sixty days after receipt of such reasonably requested information, grant or deny the dealer's relocation

request. Failure to deny such request within such sixty-day period shall be deemed consent to the relocation;

(19) Sell or offer to sell any new motor vehicle to a dealer at a lower actual price than the actual price offered to any other franchised motor vehicle dealer for the same model vehicle similarly equipped, or to utilize any device, including, but not limited to, sales promotion plans, funds or financing to upgrade facilities, discounts or programs that result in such lesser actual price, provided the provisions of this subdivision shall not apply to sales to a dealer for: (A) Resale to any unit of government; or (B) donation or use by said dealer in a driver education or other special events program. This subdivision shall not be construed to prevent the offering of sales incentives or discount programs, provided such incentives or discounts are reasonably and practically available to all dealers in this state on a proportionally equal basis;

(20) Withhold directly, or through the loss of, any benefit made available to other same line-make dealers in this state because of a dealer's refusal to engage in conduct or take action unrelated to the benefit;

(21) Fail to begin the accrual of any express warranty for a new motor vehicle by the date of the original delivery to the consumer, provided, if the warranty is expressed in terms of time, such timeframe shall begin on such original delivery date, or, if expressed in terms of number of miles, the mileage, not exceeding five hundred miles, shall be the mileage on the vehicle's odometer on such original delivery date.

Approved May 8, 2009